

ANNUAL REPORT
of the
DETROIT AND MACKINAC
RAILWAY COMPANY



FOR THE FISCAL YEAR ENDING DECEMBER 31st
1926

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DIRECTORS AND OFFICERS

BOARD OF DIRECTORS

HENRY K. MCHARG.....Stamford, Conn.
HENRY K. MCHARG, JR.....East Tawas, Mich.
DAVID H. PIERSON.....New York, N. Y.
JAMES BROWN MABON.....New York, N. Y.
JAMES McNEIL.....New York, N. Y.

OFFICERS

HENRY K. MCHARG, *President*, Stamford, Conn.
JAMES McNEIL, *Secretary-Treasurer*, 40 Wall Street, New York,
N. Y.
HENRY K. MCHARG, JR., *Vice-President and General Manager*,
East Tawas, Michigan.
CHARLES E. GLASS, *Second Vice-President and Auditor*, East
Tawas, Michigan.

General Office (In Michigan) EAST TAWAS, MICHIGAN.

General Office (Outside of Michigan) 40 WALL ST., NEW YORK, N. Y.

COLEGROVE & MURPHY
DETROIT
CERTIFIED PUBLIC ACCOUNTANTS

February 19, 1927.

Mr. C. E. Glass,
Vice President and Auditor,
Detroit and Mackinac Railway Company,
East Tawas, Michigan.

Dear Sir:

Pursuant to your request, we have made an examination of the accounts of the Detroit and Mackinac Railway Company for the year ended December 31, 1926, and herewith present statements showing the result of the operation of your company for the period under review.

We hereby certify, that according to the books and records, the attached Balance Sheet reflects the true financial condition of your company at December 31, 1926, and the accompanying statements of Income and Profit and Loss, with the supporting schedules, are a correct expression of the results of your operations for the year ended on that date.

Respectfully,

COLEGROVE & MURPHY.

REPORT OF THE PRESIDENT TO THE STOCKHOLDERS
OF THE
DETROIT AND MACKINAC RAILWAY COMPANY.

March 25, 1927

To the Stockholders of the Detroit & Mackinac Railway Company:

The past year as shown by the statements contained in this Annual Report show continued loss in Gross Earnings of your Company but owing to expenditures in the way of betterments made in the past four years our expenses were reduced within a few thousand dollars of our decrease in your Gross Earnings. Our great loss in Net Earnings has occurred by per diem received from other railroads for use of our equipment, we having had a surplus of our own equipment on hand nearly the entire year. We purchased during the year 1500 tons of 90lb. steel rail and laid same on curves and main line where needed. We also made application to the Michigan and Interstate Commerce Commission at Washington for authority to abandon the Lincoln, Au Sable and Rose City Branches and the engineer examining the branches named above for the Interstate Commerce Commission advised such action by that Commission, but at the time of making this report no decision has been made by either Commission. One quite large industry has located on our line the past year and should give us a good tonnage in the future.

Commending the faithful service and loyalty of our employees, I am

Yours very truly,

HENRY K. MCHARG, President.

DETROIT AND MACKINAC RAILWAY COMPANY
SECOND VICE-PRESIDENT AND AUDITOR'S OFFICE

East Tawas, Mich., Feb. 8, 1927.

HENRY K. MCHARG, ESQ.,
President.

Dear Sir:—

I herewith submit statements of the General Accounts and tables showing the result of operations of the Detroit and Mackinac Railway Company for the fiscal year ending December 31st, 1926, as follows:

TABLE A—Condensed General Balance Sheet.

TABLE B—Income Account.

TABLE C—Particulars of Bonded Debt.

TABLE D—Comparative Financial Statement.

TABLE E—Earnings and Expenses by years.

TABLE F—Earnings and Expenses by months.

TABLE G—Operating Expenses.

TABLE H—Mileage.

TABLE I—Classification of Freight Tonnage, 1925 and 1926.

TABLE J—Statistics for years 1925 and 1926.

TABLE K—Equipment.

TABLE L—Spurs, Sidings and Branches taken up and built during year.

Respectfully,

C. E. GLASS,
Second Vice-President and Auditor.

TABLE A

DETROIT AND MACKINAC RAILWAY COMPANY

CONDENSED GENERAL BALANCE SHEET AS OF DECEMBER 31, 1926, AND COMPARISON WITH GENERAL
BALANCE SHEET AS OF DECEMBER 31, 1925, SHOWING INCREASE AND DECREASE

ASSETS		Total	Increase	Decrease
Investments:	Items			
Investment in Road and Equipment.....	\$7,559,769.11	\$7,709,750.77	\$46,632.47	
Miscellaneous Physical Property	149,981.66		1,612.14	
Current Assets:		512,407.32		
Cash.....	59,562.19	1,325.00		
Special Deposits—J. P. Morgan Coupon Account.....	1,940.00			\$200.00
Traffic and Car Service Balances Receivable.....	30,759.08	1,372.00		5,743.22
Net Balances Receivable from Agents and Conductors.....	15,881.43			
Miscellaneous Accounts Receivable.....	48,024.14			350.40
Material and Supplies.....	355,806.00			12,857.38
Equipment Salvage.....	400.00	5.61		731.70
Other Current Assets.....	34.48			
Deferred Assets:		567.54		
Working Fund Advances.....	567.54			175.00
Unadjusted Debits:		74,687.98		
Insurance Premiums Paid in Advance.....	806.63			1,790.72
Discount on Funded Debt.....	60,000.00			10,000.00
Other Unadjusted Debits.....	13,881.35		1,640.05	
Total.....		\$8,297,413.61	\$20,738.85	

TABLE A (Continued)
LIABILITIES

Items	Total	Increase	Decrease
Capital Stock:			
Common Stock.....	\$2,000,000.00		
Preferred Stock.....	950,000.00		
	<hr/>		
Long Term Debt:			
First Lien Bonds.....	1,500,000.00		
Mortgage Bonds.....	1,250,000.00		
	<hr/>		
Current Liabilities:			
Loans and Bills Payable.....	100,000.00		
Audited Accounts and Wages Unpaid.....	112,193.54	\$45,000.00	\$25,265.59
Miscellaneous Accounts Payable.....	11,149.43	719.48	
Interest Matured Unpaid.....	1,940.00		200.00
Unmatured Interest Accrued.....	9,166.67		
Traffic and Car Service Balances Payable.....	71,506.36		33,460.86
	<hr/>		
Unadjusted Credits:			
Tax Liability.....	117,132.00		4,428.00
Accrued Depreciation—Road.....	146,306.84		1,511.87
Accrued Depreciation—Equipment.....	667,892.60		
Other Unadjusted Credits.....	11,918.94	39,113.37	1,344.80
	<hr/>		
Corporate Surplus:			
Additions to Property through Income and Surplus.....	1,837,454.46		
Profit and Loss—Debit Balance.....	489,247.23		
	<hr/>		
Total	<hr/>	<hr/>	<hr/>
	\$8,297,413.61	\$20,738.85	46,127.49

TABLE B

DETROIT AND MACKINAC RAILWAY COMPANY

INCOME ACCOUNT DECEMBER 31, 1926 COMPARED WITH FISCAL YEAR ENDED DECEMBER 31, 1925
OPERATING REVENUES

	1926	1925	Increase	Decrease
Freight.....	\$1,228,783.80	\$1,274,247.79		\$45,463.99
Passenger.....	234,977.22	257,104.23		22,127.01
Excess Baggage.....	1,903.70	2,455.90		552.20
Parlor and Chair Car.....	1,723.63	1,965.40		241.77
Mail.....	42,050.45	45,478.36		3,427.91
Express.....	57,385.98	56,234.73	\$1,651.25	
Other Passenger Train.....	1,682.09	1,337.73	344.36	
Milk.....	29,090.53	29,234.13		143.60
Switching.....	8,671.12	14,040.10		5,368.98
Special Service Train.....	1,046.95		1,046.95	
Station, Train and Boat Privileges.....	137.76	149.75		11.99
Parcel Room.....	55.50	6.10	49.40	
Storage—Freight.....	971.71	1,175.18		203.47
Storage—Baggage.....	15.72	19.40		3.68
Demurrage.....	6,504.81	5,316.00	1,188.81	
Rents of Buildings and Other Property.....	4,022.04	4,362.48		340.44
Miscellaneous.....	2,809.96	2,747.07	62.89	
Joint Facility—Cr.....	3,617.17	1,498.35	2,118.82	
Joint Facility—Dr.....		188.67		188.67
Total Operating Revenues.....	\$1,625,950.14	\$1,697,134.03		\$71,233.89
OPERATING EXPENSES				
Maintenance of Way and Structures.....	\$335,218.61	\$342,094.96		\$6,376.35
Maintenance of Equipment.....	424,608.61	449,123.85		24,515.24

TABLE B (Continued)

Traffic.....	\$24,490.55		\$1,728.54
Transportation—Rail Line.....	597,615.25		52,447.58
General.....	69,483.51	\$3,479.70	
Transportation for Investment—Cr.....	1,357.10		22,546.49
Total Operating Expenses.....	\$1,448,330.89		\$59,541.52
Net Operating Revenue.....	177,619.25		11,692.37
Railway Tax Accruals.....	112,759.60		9,044.69
Uncollectible Railway Revenues.....	949.40	331.72	
Railway Operating Income.....	\$63,910.25		\$2,979.40
Equipment Rents—Credit Balance.....	81,444.07		59,560.64
Miscellaneous Nonoperating Physical Property.....	5,367.89	5,697.96	
Income from Unfunded Securities and Accounts.....	877.74		510.65
Miscellaneous Income.....	1,874.88	221.87	
Joint Facility Rents Cr. Balance.....	†11,178.29		12,722.68
Income from Lease of Road.....	5,600.00	800.00	
Total Income.....	\$147,396.54		\$69,053.54
Interest on Funded Debt.....	110,000.00		
Interest on Unfunded Debt.....	5,937.99	3,975.97	
Amortization of Discount on Funded Debt.....	1,008.40		127.69
Miscellaneous Tax Accruals.....	†729.16		2,411.80
Miscellaneous Income Charges.....	1,905.00	26.40	
Income Appropriated for Investment in Physical Property.....	48,244.61		266,121.57
Surplus.....	*\$18,470.30		
† Debit.		\$195,605.15	
* Deficit.			*\$214,075.45

TABLE B (Continued)

DETROIT AND MACKINAC RAILWAY COMPANY

PROFIT AND LOSS ACCOUNTS

Debit Balance, January 1, 1926.....	\$443,119.74	
Miscellaneous Credits.....		\$775.65
Debit Balance Transferred from Income.....	18,470.30	
Debt Discount Extinguished Through Surplus.....	8,991.60	
Loss on Retired Road and Equipment.....	19,157.66	
Miscellaneous Debits.....	283.58	
Debit Balance Carried to Balance Sheet.....		489,247.23
	<u>\$490,022.88</u>	<u>\$490,022.88</u>

TABLE C

PARTICULARS OF BONDED DEBT

Class of Bonds	Amount Outstanding	INTEREST		Interest Accrued During Year	Principal Due
		Rate	When Payable		
First Lien	\$1,500,000.00	4%	June and December	\$60,000.00	June 1, 1995
Mort.	1,250,000.00	4%	June and December	50,000.00	June 1, 1995
	<u>\$2,750,000.00</u>			<u>\$110,000.00</u>	

TABLE D

DETROIT AND MACKINAC RAILWAY COMPANY

COMPARATIVE FINANCIAL STATEMENT

CURRENT ASSETS	Dec. 31, 1924	Dec. 31, 1925	Dec. 31, 1926
Cash.....	\$79,590.25	\$58,237.19	\$59,562.19
Special Funds.....	1,440.00	2,140.00	1,940.00
Due from Station Agents and Others.....	46,897.87	62,912.84	63,940.05
Material and Supplies.....	480,813.17	369,795.08	356,206.00
Prepaid and Deferred Charges.....	5,222.10	3,339.89	1,374.17
Discount on Funded Debt.....	80,000.00	70,000.00	60,000.00
Other Unadjusted Debits.....	41,119.04	12,241.30	13,881.35
Totals.....	\$735,082.43	\$578,666.30	\$556,903.76
LESS CURRENT LIABILITIES			
Audited Vouchers and Pay Rolls.....	\$119,666.89	\$137,459.13	\$112,193.54
Notes Payable.....	51,354.02	55,000.00	100,000.00
Accrued Taxes, Interest and Traffic Balances.....	171,353.80	211,761.54	180,135.38
U. S. Government Assets.....	9,140.44	9,140.44	
Totals.....	\$351,515.15	\$413,361.11	\$392,328.92
Net Assets.....	\$383,567.28	\$165,305.19	\$164,574.84
CAPITAL ASSETS			
Cost of Road.....	\$6,205,542.58	\$6,455,751.61	\$6,497,234.19
Cost of Equipment.....	1,013,255.37	1,057,385.03	1,062,534.92
Miscellaneous Physical Property.....	128,342.03	148,369.52	149,981.66
Totals.....	\$7,347,139.98	\$7,661,506.16	\$7,709,750.77
Net Assets.....	\$7,730,707.26	\$7,826,811.35	\$7,874,325.61
REPRESENTING			
Bonds Issued—First Lien.....	\$1,500,000.00	\$1,500,000.00	\$1,500,000.00
Bonds Issued—Mortgage.....	1,250,000.00	1,250,000.00	1,250,000.00
Stock Issued—Common.....	2,000,000.00	2,000,000.00	2,000,000.00
Stock Issued—Preferred.....	950,000.00	950,000.00	950,000.00
Reserves.....	754,673.80	776,597.94	814,199.44
Other Unadjusted Credits.....	2,879.16	4,123.30	11,918.94
Additions to Property Through Income and Surplus.....	1,474,843.67	1,789,209.85	1,837,454.46
Surplus.....	†201,689.37	†443,119.74	†489,247.23
Totals.....	\$7,730,707.26	\$7,826,811.35	\$7,874,325.61

† Deficit.

TABLE E

DETROIT AND MACKINAC RAILWAY COMPANY
REVENUES AND EXPENSES BY YEARS

REVENUE	1922		1923		1924		1925		1926	
	Amount	Per Cent.	Amount	Per Cent.	Amount	Per Cent.	Amount	Per Cent.	Amount	Per Cent.
Freight.....	\$1,357,364.45	72.66	\$1,418,984.24	73.72	\$1,447,935.06	75.19	\$1,274,247.79	75.08	\$1,228,783.80	75.57
Passenger.....	353,055.75	18.90	344,773.30	17.91	303,045.76	15.74	257,104.23	15.15	234,977.22	14.45
Mail.....	44,980.07	2.41	43,867.28	2.28	47,708.51	2.48	45,478.36	2.68	42,050.45	2.59
Express.....	65,411.72	3.50	52,448.40	2.73	56,568.78	2.94	56,234.73	3.31	57,885.98	3.56
Milk.....	17,999.13	.96	24,948.68	1.29	29,183.14	1.51	29,234.13	1.72	29,090.53	1.79
Other Sources.....	29,343.04	1.57	39,840.97	2.07	41,067.96	2.14	34,884.79	2.06	33,162.16	2.04
Total.....	\$1,868,154.16	100%	\$1,924,862.87	100%	\$1,925,509.21	100%	\$1,697,184.03	100%	\$1,625,950.14	100%
EXPENSES										
Maint. Way and Structures.....	\$311,979.99	18.34	\$374,869.70	21.17	\$351,414.14	21.94	\$342,094.96	22.69	\$335,218.61	23.15
Maint. Equipment.....	585,402.37	34.41	573,799.91	32.40	448,978.68	28.03	449,123.85	29.78	424,608.61	29.32
Traffic.....	25,872.01	1.52	24,056.81	1.36	24,349.00	1.52	24,490.55	1.62	22,762.01	1.57
Transportation.....	709,181.22	41.68	729,615.27	41.20	703,823.54	43.95	650,062.83	43.11	597,615.25	41.26
General.....	70,091.24	4.12	69,879.78	3.95	77,088.94	4.81	66,003.81	4.38	69,483.51	4.79
Transportation for Investment										
—Cr.....	1,204.25	.07	1,498.08	.08	4,058.86	.25	23,903.59	1.58	1,357.10	.09
Total.....	\$1,701,322.58	100%	\$1,770,723.39	100%	\$1,601,595.44	100%	\$1,507,872.41	100%	\$1,448,330.89	100.0%
Net Earnings.....	\$166,831.58	8.93	\$154,139.48	8.01	\$223,913.77	16.82	\$189,311.62	11.15	\$177,619.25	10.92
Taxes.....	120,665.75	6.46	100,535.08	5.22	126,612.46	6.58	121,804.29	7.17	112,759.60	6.93
Net Earnings, less Taxes.....	46,165.83	2.47	53,604.40	2.79	197,301.31	10.24	67,507.33	3.98	64,859.65	3.99

TABLE F

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF OPERATING REVENUES AND OPERATING EXPENSES FOR FISCAL YEAR ENDING DECEMBER 31, 1926

OPERATING REVENUES

Oper. Revenues	January	February	March	April	May	June	July	August	September	October	November	December
Freight.....	\$76,956.62	\$82,060.07	\$80,881.17	\$89,592.11	\$98,708.16	\$108,892.57	\$123,403.55	\$126,822.56	\$125,133.34	\$140,433.06	\$103,154.03	\$72,746.56
Passenger.....	25,818.59	19,261.62	24,135.40	26,668.98	16,992.13	16,985.08	20,914.73	21,623.73	15,355.54	12,292.75	13,922.65	21,006.02
Mail.....	3,590.00	3,590.00	3,590.00	4,175.34	3,555.56	3,230.00	3,230.00	3,226.00	3,386.52	3,230.00	3,651.03	3,596.00
Express.....	3,533.61	3,362.58	3,185.55	4,871.85	4,672.76	5,456.27	5,340.87	3,872.30	5,425.00	6,833.41	5,642.85	5,688.93
Milk.....	1,213.33	1,131.02	1,433.48	1,676.82	2,832.34	4,440.68	4,538.50	3,672.14	2,924.06	2,409.16	1,442.91	1,376.09
Other Sources.....	3,083.30	3,043.40	3,962.17	2,074.61	2,263.76	1,176.51	2,612.44	3,232.72	2,625.06	3,924.71	2,826.13	2,337.35
Totals.....	\$114,195.45	\$112,448.69	\$117,187.77	\$129,059.71	\$129,024.71	\$140,181.11	\$160,040.09	\$162,449.45	\$154,849.52	\$169,123.09	\$130,639.60	\$106,750.95

OPERATING EXPENSES

Oper. Expenses	January	February	March	April	May	June	July	August	September	October	November	December
M. W. & Struct.....	\$18,689.46	\$18,383.23	\$18,723.17	\$18,230.12	\$22,000.75	\$35,045.47	\$48,560.72	\$45,723.18	\$33,226.16	\$28,049.60	\$32,306.40	\$16,281.35
Maint. Equipment.....	40,165.00	34,243.58	44,045.78	40,071.12	34,556.24	33,150.46	37,501.39	36,154.67	31,100.67	32,411.54	29,782.04	31,426.12
Traffic.....	1,979.76	1,719.96	1,847.26	1,867.88	2,152.32	1,782.49	2,466.41	1,808.27	2,446.30	1,280.61	1,406.18	2,004.57
Transportation.....	51,815.64	43,660.29	52,511.80	52,960.54	49,318.83	48,284.21	46,567.25	51,414.23	48,010.83	46,369.64	55,144.76	51,557.23
General.....	5,332.57	5,085.41	5,273.28	5,927.74	5,386.28	5,451.43	5,639.67	4,965.55	6,191.08	6,090.57	5,587.73	8,552.20
Tr. for Inv.—Cr.....	5.84	14.72	12.51	5.93	17.67	5.60	63.27	304.43	479.58	465.55	81.59	†99.59
Totals.....	\$117,976.59	\$103,077.75	\$122,387.78	\$119,051.47	\$113,396.75	\$123,708.46	\$140,672.17	\$139,761.47	\$120,495.46	\$113,736.41	\$124,145.52	\$109,921.06
Net Revenue.....	*\$3,781.14	\$9,370.94	*\$5,200.01	\$10,008.24	\$15,627.96	\$16,472.65	\$19,367.92	\$22,687.98	\$34,354.06	\$55,386.68	\$6,494.08	*\$3,170.11
Prop. Exp. to Revenue.....	103.31%	91.67%	104.44%	92.24%	87.89%	88.25%	87.89%	86.03%	76.52%	67.25%	95.03%	102.37%

* Italic Figures Denote Deficit.
† Debit.

TABLE G

DETROIT AND MACKINAC RAILWAY COMPANY

OPERATING EXPENSES

1926 COMPARED WITH 1925

MAINTENANCE OF WAY AND STRUCTURES

	Amount	Increase	Decrease
Superintendence.....	\$30,819.34	\$3,759.80	
Roadway Maintenance.....	10,499.46		\$3,528.28
Bridges, Trestles and Culverts.....	8,668.64	4,955.96	
Ties.....	66,779.27		23,421.68
Rails.....	22,644.00	22,234.89	
Other Track Material.....	29,905.58	2,697.07	
Ballast.....	1,851.05		9,941.59
Track Laying and Surfacing.....	110,477.75		5,259.40
Right-of-Way Fences.....	1,472.50		2,612.31
Crossings and Signs.....	3,429.58		1,053.09
Station and Office Buildings.....	4,510.79		1,090.70
Roadway Buildings.....	2,083.24		1,248.43
Water Stations.....	4,582.12	651.23	
Fuel Stations.....	763.24	408.91	
Shops and Engine Houses.....	1,996.39		1,232.03
Telegraph and Telephone Lines.....	2,463.97		75.62
Signals and Interlockers.....	379.51	164.34	
Roadway Machines.....	6,043.18		471.85
Small Tools and Supplies.....	4,420.42		1,613.76
Removing Snow, Ice and Sand.....	15,578.13	7,761.71	
Injuries to Persons.....	1,008.21		506.86
Insurance.....	1,445.44	243.74	
Stationery and Printing.....	742.87		107.67
Maintaining Joint Tracks, Yards and Other Facilities—Dr.....	3,545.71	2,369.21	
Maintaining Joint Tracks, Yards and Other Facilities—Cr.....	891.78		40.06
Total.....	\$335,218.61		\$6,876.35

MAINTENANCE OF EQUIPMENT

Superintendence.....	\$14,748.99	\$123.64	
Shop Machinery.....	7,619.72	1,014.88	
Steam Locomotives—Repairs.....	129,255.37	2,081.80	
Steam Locomotives—Depreciation.....	11,020.20		
Steam Locomotives—Retirements.....	314.00	288.16	
Freight Train Cars—Repairs.....	175,747.71		\$11,462.61

TABLE G (Continued)

Freight Train Cars—Depreciation.....	\$25,279.13		\$931.01
Freight Train Cars—Retirements.....	2,321.76	\$7,793.20	
Passenger Train Cars—Repairs.....	34,139.16		22,463.84
Passenger Train Cars—Depreciation.....	7,203.48	154.35	
Passenger Train Cars—Retirements.....	476.08	535.00	
Work Equipment—Repairs.....	8,288.18		3,956.11
Work Equipment—Depreciation.....	2,651.55	1,023.83	
Work Equipment—Retirements.....	553.64		466.50
Miscellaneous Equipment—Repairs.....	765.04	246.09	
Miscellaneous Equipment—Depreciation.....	663.14	663.14	
Injuries to Persons.....	1,612.48		303.37
Insurance.....	306.84	3.15	
Stationery and Printing.....	735.26		437.01
Maintaining Joint Equipment at Terminals— Dr.....	2,014.16	1,465.18	
Maintaining Joint Equipment at Terminals— Cr.....			112.79
Total.....	\$424,608.61		\$24,515.24

TRAFFIC

Superintendence.....	\$11,847.64		\$2,255.82
Outside Agencies.....	2,719.36	\$8.06	
Advertising.....	275.04		103.88
Traffic Associations.....	1,383.71	93.66	
Industrial and Immigration Bureaus.....			600.00
Insurance.....	1.80		
Stationery and Printing.....	6,534.46	1,129.44	
Total.....	\$22,762.01		\$1,728.54

TRANSPORTATION

Superintendence.....	\$26,993.23		\$4,437.73
Dispatching Trains.....	10,387.73	\$9.47	
Station Employees.....	96,770.37		2,229.62
Weighing, Inspection and Demurrage Bureaus	597.89	166.85	
Station Supplies and Expenses.....	6,358.31	866.06	
Yard Masters and Yard Clerks.....	10,861.51		843.27
Yard Conductors and Brakemen.....	19,940.42		4,649.25
Yard Enginemen.....	19,541.57		746.74
Fuel for Yard Locomotives.....	19,353.90		4,266.35
Water for Yard Locomotives.....	1,541.00	17.40	
Lubricants for Yard Locomotives.....	398.01		26.04
Other Supplies for Yard Locomotives.....	151.84		24.26
Enginehouse Expenses—Yard.....	5,197.21	641.42	
Yard Supplies and Expenses.....	508.04	45.69	
Train Enginemen.....	66,412.96		1,520.04
Fuel for Train Locomotives.....	108,825.73		28,376.05
Water for Train Locomotives.....	6,345.99	1,317.90	

TABLE G (Continued)

Lubricants for Train Locomotives.....	\$3,204.15	\$15.39	
Other Supplies for Train Locomotives.....	1,398.78	116.57	
Enginehouse Expenses—Train.....	32,985.30		\$1,796.73
Trainmen.....	70,432.26		3,256.85
Train Supplies and Expenses.....	30,390.05		996.14
Crossing Protections.....	118.06	41.34	
Drawbridge Operation.....	3,227.98		1.90
Telegraph and Telephone Operation.....	2,491.72		1,083.80
Stationery and Printing.....	5,400.79		1,191.26
Other Expenses.....	2,072.74	1,140.66	
Insurance.....	369.43		.02
Clearing Wrecks.....	701.01		540.85
Damage to Property.....	1,655.92		1,906.96
Damage to Live Stock on Right-of-Way.....	99.27		313.30
Loss and Damage—Freight.....	6,326.64	1,022.40	
Loss and Damage—Baggage.....	11.49		27.86
Injuries to Persons.....	5,037.70		4,222.83
Operating Joint Yards and Terminals—Dr.....	39,109.78	4,724.19	
Operating Joint Yards and Terminals—Cr.....	7,507.99	202.23	
Operating Joint Tracks and Facilities—Dr.....	1,606.15		121.00
Operating Joint Tracks and Facilities—Cr.....	1,701.69		208.16
Total.....	\$597,615.25		\$52,447.58

GENERAL

Salaries and Expenses of General Officers.....	\$11,498.92	\$678.82	
Salaries and Exp. of Clerks and Attendants....	37,703.06		\$1,629.27
General Office Supplies and Expenses.....	1,114.72		329.76
Law Expenses.....	11,463.53	5,973.91	
Insurance.....	136.32	6.05	
Pensions.....	4,750.00	990.00	
Stationery and Printing.....	2,163.49		736.27
Other Expenses.....	653.47		1,473.78
Total.....	\$69,483.51	\$3,479.70	

SUMMARY

Maintenance of Way and Structures.....	\$335,218.61		\$6,876.35
Maintenance of Equipment.....	424,608.61		24,515.24
Traffic.....	22,762.01		1,728.54
Transportation.....	597,615.25		52,447.58
General.....	69,483.51	\$3,479.70	
Transportation for Investment—Cr.....	1,357.10		22,546.49
Total.....	\$1,448,330.89		\$59,541.52

Italic figures denote credits.

TABLE H

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF MILEAGE, DECEMBER 31, 1926

MAIN LINE

North Bay City to Cheboygan.....	195.53
One-half Ownership—Foss to North Bay City.....	.12

BRANCHES

Omer to Au Gres.....	8.22
Emery Junction to Prescott.....	12.17
Emery Junction to Rose City.....	31.22
Alabaster Junction to Alabaster.....	4.27
Au Sable River Junction to Comins.....	49.65
Hardy to Beevers.....	10.29
Lincoln Junction to Lincoln.....	14.66
Hillman Junction to Hillman.....	23.35
Rogers City Junction to Rogers City.....	14.40
Alpena Junction to Rockport.....	13.90
Total.....	182.13
Total Main Line and Branches.....	377.78
Yard Tracks and Sidings.....	93.63
Total, all tracks (miles).....	471.41

TABLE I

DETROIT AND MACKINAC RAILWAY COMPANY

CLASSIFICATION OF FREIGHT TONNAGE

	1926	Per	1925	Per
Products of Agriculture:	Tons	Cent.	Tons	Cent.
Grain.....	4,208	.4	3,716	.4
Flour.....	3,528	.3	3,245	.3
Other Mill Products.....	1,888	.2	1,283	.1
Hay.....	2,729	.3	1,270	.1
Fruit and Vegetables.....	24,996	2.4	25,286	2.4
Other Products of Agriculture.....	17,583	1.7	33,192	3.1
Total Products of Agriculture.....	54,932	5.3	67,992	6.4

TABLE I (Continued)

	1926 Tons	Per Cent.	1925 Tons	Per Cent.
Animals and Products:				
Live Stock.....	8,070	.7	8,584	.8
Wool.....	120		73	
Hides and Leather.....	644	.1	581	.1
Other Products of Animals.....	637	.1	911	.1
Total Animals and Products.....	9,471	.9	10,149	1.0
Products of Mines:				
Anthracite Coal.....	1,863	.2	1,058	.1
Bituminous Coal.....	60,948	5.9	66,065	6.2
Coke.....	2,187	.2	3,907	.4
Stone, Sand and other like articles.....	426,165	41.1	396,570	37.6
Other Products of Mines.....	4,313	.4	4,312	.4
Total Products of Mines.....	495,476	47.8	471,912	44.7
Products of Forests:				
Lumber.....	109,402	10.5	122,474	11.6
Other Products of Forests.....	3,819	.4	3,821	.4
Total Products of Forests.....	113,221	10.9	126,295	12.0
Manufactures and Miscellaneous:				
Petroleum and Other Oils.....	22,455	2.2	22,956	2.2
Sugar.....	1,465	.2	1,557	.2
Iron, Pig and Bloom.....	517		556	.1
Iron and Steel Rails.....	1,034	.1	904	.1
Other Castings and Machinery.....	4,361	.4	3,519	.3
Bar and Sheet Metal.....	4,375	.4	3,131	.3
Cement, Brick and Lime.....	246,191	23.7	262,593	24.9
Agricultural Implements.....	1,362	.1	1,109	.1
Automobiles and Auto Trucks.....	556	.1	1,514	.1
Beverages.....	45		96	
Household Goods and Furniture.....	537	.1	288	
Other Manufactures and Miscellaneous.....	50,129	4.8	45,348	4.3
Total Manufactures.....	333,027	32.1	343,571	32.6
L. C. L. Goods not distributed above.....	30,411	3.0	35,104	3.3
Grand Total, all commodities.....	1,036,538	100%	1,055,023	100%

TABLE J
DETROIT AND MACKINAC RAILWAY COMPANY

FREIGHT STATISTICS

	1926	1925
Number tons revenue freight carried.....	1,036,538	1,055,023
Number tons non-revenue freight carried.....	76,780	160,661
Total number tons of freight carried.....	1,113,318	1,215,684
Number revenue tons carried one mile.....	84,052,939	81,375,505
Number all tons carried one mile.....	91,372,000	90,843,000
Number revenue tons carried one mile, per mile of road.....	223,884	216,752
Number tons all freight carried one mile, per mile of road.....	243,380	241,971
Average distance haul of one ton revenue freight (miles).....	81.09	77.13
Average distance haul of one ton all freight (miles).....	82.07	74.73
Total freight revenue.....	\$1,228,783.80	\$1,274,247.79
Average amount received for each ton of freight.....	1.18547	1.20779
Average receipts, per ton, per mile.....	.01462	.01566
Freight revenue per mile of road.....	3,273.00	3,394.12
Freight revenue per train mile.....	4.81	4.81
Average number of revenue tons per train mile.....	328.88	307.09
Average number of all tons, per train mile.....	357.51	342.82
Average number of revenue tons, per loaded car mile.....	23.97	22.24
Average number of all tons, per loaded car mile.....	26.06	24.83
Average number of cars, per train mile.....	22.5	22.4

PASSENGER STATISTICS

Number of passengers carried.....	113,224	132,379
Number of passengers carried one mile.....	6,528,000	7,137,000
Number of passengers carried one mile per mile of road.....	17,388	19,010
Average distance each passenger carried (miles).....	57.65	53.91
Passenger revenue.....	\$234,977.22	\$257,104.23
Average amount received from each passenger.....	2.075	1.942
Average receipts per passenger per mile.....	.03599	.03602
Total passenger train earnings.....	369,313.60	393,810.48
Passenger earnings per mile of road.....	983.71	1,048.96
Passenger earnings per train mile.....	1.68	1.62
Average number of passengers per train mile.....	29.77	29.27

OPERATING STATISTICS

Gross revenue from operation.....	\$1,625,950.14	\$1,697,184.03
Gross revenue from operation, per mile of road.....	4,330.90	4,520.64
Operating expenses.....	1,448,330.89	1,507,872.41
Operating expenses per mile of road.....	3,857.79	4,016.39
Operating expenses per train mile.....	3.05	2.96
Net operating revenues.....	177,619.25	189,311.62
Net operating revenues per mile of road.....	473.11	504.25
Ratio of expenses to earnings.....	89.08	88.85

TABLE K

DETROIT AND MACKINAC RAILWAY COMPANY

EQUIPMENT

Locomotives:	1926	1925
Passenger.....	12	12
Freight.....	14	14
Switching.....	4	4
	<hr/>	<hr/>
Totals.....	30	30
Passenger Cars:		
First Class.....	14	14
Combination.....	8	8
Parlor.....	2	2
Cafe.....	1	1
Baggage, Express and Postal.....	13	13
	<hr/>	<hr/>
Totals.....	38	38
Freight Cars:		
Refrigerator.....	6	6
Box.....	528	535
Coal.....	48	48
Flat.....	116	100
Stock.....	76	76
Gondolas.....	341	358
	<hr/>	<hr/>
Totals.....	1,115	1,123
In Company's Service:		
Officers and Pay Cars.....	1	1
Derrick Cars.....	2	2
Caboose Cars.....	11	11
Other Road Cars.....	72	74
Snow Plow.....	1	1
	<hr/>	<hr/>
Totals.....	87	89
Summary:		
Total Number of Locomotives Owned.....	30	30
Total Number of Cars Owned.....	1,240	1,250

TABLE L

DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF TRACKS BUILT AND TAKEN UP DURING YEAR 1926

TRACKS BUILT

Track Order	Location	Miles	Feet
1311 Side Track.....	LaRocque		432
1402 Connecting Tracks Nos. 1 and 2.....	Big Cut		420
1403 New Siding, South Side Main Line.....	Big Cut	1,235	
1404 Connecting Track to Long Siding.....	Big Cut		105
1405 Change Location of Coal Track Frog.....	Big Cut		80
1406 One-half Undivided Interest.....	Cheboygan Yard		581
1408 Spur off Track No. 5.....	Rogers City		220
1410 Cross-over Track.....	Posen		166
1416 Connecting Track No. 234A-234 and M. C.....	Cheboygan		88
1420 Connecting Track No. 254A-254 and M. C.....	Cheboygan		478
1421 Connecting Track No. 255A-255 and M. C.....	Cheboygan		380
1423 Connecting Track No. 246A-246 and M. C.....	Cheboygan		347
1424 Connecting Track No. 248A-248 and M. C.....	Cheboygan		71
1425 Connecting Track No. 245A-245 and M. C.....	Cheboygan		293
1428 Spur Track.....	1¼ Miles So. of Emery Jct.		3,972
1429 Extend Onaway Lumber and Coal Company's Track.....	Onaway		120
Total.....		1	3,708

TRACKS TAKEN UP

Track Order	Location	Miles	Feet
1375 Spur Track No. 32.....	Alpena		388
1399 Spur Track No. 94.....	East Tawas		1,082
1400 Part of Hopper Track.....	Big Cut		320
1401 Part of Long Siding.....	Big Cut		285
1409 Lime Spur Track No. 70.....	Main Line		504
1411 Huron Industries Spur No. 111.....	Alpena		657
1414 Track No. 227.....	Cheboygan		2,615
1415 Track No. 234.....	Cheboygan		428
1417 Track No. 238.....	Cheboygan		2,182

TABLE L (Continued)

1418	Track No. 253.....	Cheboygan	314
1422	Track No. 247.....	Cheboygan	739
1432	Track No. 32.....	East Tawas	301
1433	Back End of Elevator Track.....	Omer	2,000
1434	Track No. 17.....	Alpena	1,422
1435	Track No. 19.....	Alpena	328
1436	Track No. 20.....	Alpena	450
1437	Johnson Coal Track No. 343.....	Alpena	290
1438	Stock Yard Track No. 2.....	Whittemore	344
Total.....			2 4,089

SUMMARY

	Miles	Feet
Tracks Taken Up.....	2	4,089
Tracks Built.....	1	3,708
Net Decrease.....	1	381

